

PFE/AJB/CDM (Oct. 2020)
(by information)**IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ALABAMA
NORTHEASTERN DIVISION****UNITED STATES OF AMERICA****v.****SHARON LUTTRELL**)
)
)
)
)**Case No. _____
18 U.S.C. § 371****INFORMATION**

The United States Attorney charges that:

At all times relevant to this Information:

GENERAL ALLEGATIONS**THE DEFENDANT AND RELEVANT INDIVIDUALS**

1. Defendant **SHARON LUTTRELL** resided in Marshall County, Tennessee.
2. Mark Murphy was a pain management physician residing in Marshall County, Tennessee, who was licensed to practice medicine in the States of Alabama and Tennessee and had Drug Enforcement Administration ("DEA") Registration numbers that allowed him to write prescriptions for controlled substances.
3. Jennifer Murphy resided in Marshall County, Tennessee, and was married to Mark Murphy.

4. Mark Murphy, Jr. resided in Marshall County, Tennessee, and was the son of Mark Murphy and Jennifer Murphy.

5. Willie Frank Murphy resided in Marshall County, Tennessee, and was the brother of Mark Murphy.

6. Brian Bowman was a marketer located in and around Etowah County, Alabama.

7. Christie Rollins a/k/a "Christie Schneid" resided in Marshall County, Tennessee.

RELATED ENTITIES

8. North Alabama Pain Services ("NAPS") was a network of pain clinics located in Decatur, Alabama; Madison, Alabama; and Lewisburg, Tennessee. Mark Murphy primarily operated his medical practice out of NAPS. Jennifer Murphy served as an office manager of NAPS.

9. Compass Labs, Inc. ("Compass") was a Tennessee corporation, with its principal place of business in Memphis, Tennessee. Compass operated as a clinical laboratory and performed urinary drug screens ("UDS") and other laboratory services for NAPS's patients. Brian Bowman was a part-owner of Compass. Compass employed **SHARON LUTTRELL**, Christie Rollins, Mark Murphy, Jr., and Willie Frank Murphy as technicians whose job duties included collecting urine

for testing (the “Urine Collectors”).

10. MedPlus Medical (“MedPlus”) was a Tennessee limited liability company, with its principal place of business in Memphis, Tennessee. MedPlus was a Medicare enrolled supplier of durable medical equipment (“DME”).

11. OrthoPlus, LLC (“OrthoPlus”) was an Alabama limited liability company, with its principal place of business in Birmingham, Alabama. Brian Bowman was the sole owner of OrthoPlus.

12. Pharmacies 1-12 were all in the retail pharmacy business, including the dispensing and billing of high-reimbursing and compounded medications.

MEDICARE AND TRICARE

13. Medicare and TRICARE were “federal health care programs,” as defined in Title 42, United States Code, Section 1320a-7b(f), and “health care benefit programs,” as defined in Title 18, United States Code, Section 24(b). Individuals who received health insurance benefits through Medicare and TRICARE were referred to as “beneficiaries.”

14. The Medicare program was a federal health care program providing benefits to persons who were over the age of 65 or disabled. Medicare was administered by the United States Department of Health and Human Services through its agency, the Centers for Medicare and Medicaid Services (“CMS”).

15. Medicare included coverage under component parts. Medicare Part B covered, among other things, the cost of physicians' services, outpatient care, diagnostic laboratory services, and DME. Specifically, Part B covered medically necessary DME and UDS.

16. Medicare Part D provided prescription drug benefits to eligible Medicare beneficiaries. Part D reimbursed pharmacies directly for part of the cost of prescription and compounded drugs dispensed to qualified Medicare beneficiaries.

17. As part of the Medicare enrollment process, health care providers, including clinics, laboratories, DME suppliers, and physicians, submitted enrollment applications to Medicare. To participate in Medicare, providers were required to certify that they would comply with all Medicare-related laws, rules, and regulations, including, among others, the Federal Anti-Kickback Statute. If Medicare approved a provider's application, Medicare assigned the provider a Medicare provider number. A provider with a Medicare provider number could submit claims to Medicare to obtain reimbursement for medically necessary items and services rendered to beneficiaries. Medicare providers were given access to Medicare manuals and service bulletins describing procedures, rules, and regulations.

18. TRICARE was a health care program of the United States Department

of Defense (“DOD”) Military Health System that provided drug insurance coverage for DOD beneficiaries worldwide, including active duty service members, National Guard and Reserve members, retirees, their families, and survivors.

19. Like the Medicare Program, TRICARE paid for certain medical services, including prescription and pharmaceutical drugs, on behalf of beneficiaries.

20. TRICARE would not pay claims for reimbursement for prescriptions and health care services that TRICARE knew, among other things, (1) were not medically necessary for the treatment of the beneficiary’s specific medical needs; or (2) were the result of a violation of the federal Anti-Kickback Statute.

21. Payments under Medicare and TRICARE were made directly to a provider of the goods or services, rather than to a beneficiary. This payment occurred when the provider submitted the claim to the health care benefit program for payment, either directly or through a billing company.

Count One
Conspiracy
18 U.S.C. § 371

Paragraphs 1 to 21 the General Allegations Section of this Information are fully incorporated as though set forth herein.

THE CONSPIRACY

22. From not later than January 2012, and continuing through in or around

March 2017, in the Northern District of Alabama, and elsewhere, the defendant,

SHARON LUTTRELL

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate, and agree with individuals known and unknown to the United States Attorney to commit certain offenses against the United States, that is:

- a. to defraud the United States by impairing, impeding, obstructing, and defeating through deceitful and dishonest means, the lawful government functions of the United States Department of Health and Human Services in its administration and oversight of the Medicare program, in violation of Title 18, United States Code, Section 371;
- b. to knowingly and willfully offer and pay remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, (A) to any person to induce such person to refer an individual to a person for the furnishing and arranging for the furnishing of any item or service for which payment may be made in whole and in part under a Federal health care program, that is, Medicare and TRICARE, and (B) to purchase, lease, order, and arrange for and recommend purchasing, leasing, and ordering any good, facility, service, and item for which payment may be made in

whole and in part under a Federal health care program, that is, Medicare and TRICARE, in violation of Title 42, United States Code, Section 1320a-7b(b)(2); and

c. to knowingly and willfully solicit and receive remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, (A) in return for referring an individual to a person for the furnishing and arranging for the furnishing of an item or service for which payment may be made in whole and in part under a Federal health care program, that is Medicare and TRICARE, and (B) in return for purchasing, leasing, ordering, and arranging for and recommending purchasing, leasing and ordering any good, facility, service, and item for which payment may be made in whole and in part under a Federal health care program, that is, Medicare and TRICARE, in violation of Title 42, United States Code, Section 1320a-7b(b)(1).

PURPOSE OF THE CONSPIRACY

23. It was a purpose of the conspiracy for **SHARON LUTTRELL** and her co-conspirators to unlawfully enrich and benefit themselves by: (1) offering, paying, soliciting, and receiving kickbacks and bribes to ensure that orders for DME and high reimbursing medications, as well as other services and items for Medicare and

TRICARE beneficiaries, would be referred to various entities, including MedPlus, Pharmacies 1-12, and Compass; (2) submitting and causing to be submitted claims to Medicare and TRICARE for these items and services based on these referrals; (3) concealing the payment, receipt, and transfer of illegal kickbacks and the proceeds of the fraud; and (4) diverting proceeds of the scheme for their personal use and benefit, and the use and benefit of others.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which **SHARON LUTTRELL** and others sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

24. Mark Murphy was enrolled in Medicare and TRICARE, among other insurers. In doing so, he agreed only to bill for medically reasonable and necessary services actually rendered. Despite these promises, Mark Murphy, with the assistance of Jennifer Murphy, Brian Bowman, **SHARON LUTTRELL**, Christie Rollins, Mark Murphy, Jr., and Willie Frank Murphy, caused thousands of claims for medically unreasonable and unnecessary services to be billed to Medicare, TRICARE and other insurers.

25. Brian Bowman would negotiate with third parties, including pharmacies, and DME suppliers and other healthcare providers and suppliers, to

directly and indirectly pay Brian Bowman a kickback each time Mark Murphy or the NAPS clinic ordered an item or service provided by one of these third parties.

26. In turn, Brian Bowman offered and paid, and Mark Murphy, Jennifer Murphy, **SHARON LUTTRELL**, Christie Rollins, Mark Murphy, Jr., Willie Frank Murphy, and others solicited and received, kickbacks in the form of direct and indirect remuneration in exchange for and for the purpose of inducing referrals of these medically unnecessary services from NAPS.

27. For example, Urine Collectors would see patients at NAPS before they were seen by any medical professional under the guise of collecting their urine samples. In reality, the Urine Collectors would market prescription pain and scar creams, DME and other services to the patients. These consultations by the Urine Collectors were sometimes billed as office visits allegedly performed by Mark Murphy. The Urine Collectors would then complete an order using either a photocopied or stamped signature of Mark Murphy and, at the direction of Brian Bowman, Mark Murphy and Jennifer Murphy, fax or email that prescription or order to Brian Bowman to be sent to various pharmacies, testing laboratories, Nerve Conduction Study providers, DME suppliers, and other providers and suppliers, and directly to the providers and suppliers themselves, in exchange for illegal kickbacks.

OVERT ACTS

In furtherance of the conspiracy and to achieve the objects thereof, defendant **SHARON LUTTRELL** and her co-conspirators committed and caused to be committed one or more of the following overt acts, among others, in the Northern District of Alabama, and elsewhere:

28. On or about November 9, 2015, **SHARON LUTTRELL** deposited and caused to be deposited check number 1090 from the OrthoPlus Regions Bank Acct. ending in 6204 in the amount of \$1,121.25.

29. On or about June 1, 2016, **LUTTRELL** texted Brian Bowman a ledger listing orders for items referred out by the urine collectors in the previous May.

All in violation of Title 18, United States Code, Section 371.

NOTICE OF FORFEITURE

1. The allegations in Count One of this Information are hereby re-alleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(7) and Title 28, United States Code, Section 2461(c),

2. Upon conviction of the offense set forth in Count One of this Information, in violation of Title 18, United States Code, Section 371, Title 42, United States Code, Section 1320a7-b(b), the defendant,

SHARON LUTTRELL

shall forfeit to the United States of America pursuant to Title 18, United States Code, Section 982(a)(7), any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense.

3. The property to be forfeited includes, but is not limited to **\$176,671.36**, which represents the amount defendant personally obtained, controlled, and benefitted from as result her criminal offenses.


4. If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

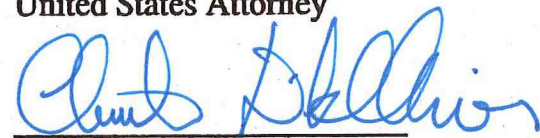
the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to 18 U.S.C. § 982(a)(7) and 28 U.S.C. § 2461(c).

DANIEL KAHN
Acting Chief, Fraud Section
Criminal Division
United States Department of Justice


ANTHONY J. BURBA
Trial Attorney

PRIM F. ESCALONA
United States Attorney


CHINELO DIKÉ-MINOR
Assistant United States Attorney